


STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

FORM 3

AMENDED REPORT ☒

APPLICATION FOR PERMIT TO DRILL						1. WELL NAME and NUMBER Gate Canyon State 41-19-11-15					
2. TYPE OF WORK DRILL NEW WELL <input checked="" type="checkbox"/> REENTER P&A WELL <input type="checkbox"/> DEEPEN WELL <input type="checkbox"/>						3. FIELD OR WILDCAT UNDESIGNATED					
4. TYPE OF WELL Gas Well Coalbed Methane Well: NO						5. UNIT or COMMUNITIZATION AGREEMENT NAME GATE CANYON					
6. NAME OF OPERATOR GASCO PRODUCTION COMPANY						7. OPERATOR PHONE 303 483-0044					
8. ADDRESS OF OPERATOR 8 Inverness Dr. East, Suite 100, Englewood, CO, 80112						9. OPERATOR E-MAIL jlongwell@gascoenergy.com					
10. MINERAL LEASE NUMBER (FEDERAL, INDIAN, OR STATE) ML-49945			11. MINERAL OWNERSHIP FEDERAL <input type="checkbox"/> INDIAN <input type="checkbox"/> STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>			12. SURFACE OWNERSHIP FEDERAL <input type="checkbox"/> INDIAN <input type="checkbox"/> STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>					
13. NAME OF SURFACE OWNER (if box 12 = 'fee')						14. SURFACE OWNER PHONE (if box 12 = 'fee')					
15. ADDRESS OF SURFACE OWNER (if box 12 = 'fee')						16. SURFACE OWNER E-MAIL (if box 12 = 'fee')					
17. INDIAN ALLOTTEE OR TRIBE NAME (if box 12 = 'INDIAN')			18. INTEND TO COMMINGLE PRODUCTION FROM MULTIPLE FORMATIONS YES <input type="checkbox"/> (Submit Commingling Application) NO <input checked="" type="checkbox"/>			19. SLANT VERTICAL <input checked="" type="checkbox"/> DIRECTIONAL <input type="checkbox"/> HORIZONTAL <input type="checkbox"/>					
20. LOCATION OF WELL		FOOTAGES		QTR-QTR	SECTION	TOWNSHIP		RANGE	MERIDIAN		
LOCATION AT SURFACE		481 FNL 987 FEL		NENE	19	11.0 S		15.0 E	S		
Top of Uppermost Producing Zone		481 FNL 987 FEL		NENE	19	11.0 S		15.0 E	S		
At Total Depth		481 FNL 987 FEL		NENE	19	11.0 S		15.0 E	S		
21. COUNTY DUCESNE			22. DISTANCE TO NEAREST LEASE LINE (Feet) 481			23. NUMBER OF ACRES IN DRILLING UNIT 2524					
			25. DISTANCE TO NEAREST WELL IN SAME POOL (Applied For Drilling or Completed) 5000			26. PROPOSED DEPTH MD: 15245 TVD: 15245					
27. ELEVATION - GROUND LEVEL 6725			28. BOND NUMBER 4127763			29. SOURCE OF DRILLING WATER / WATER RIGHTS APPROVAL NUMBER IF APPLICABLE 41-3530					
Hole, Casing, and Cement Information											
String	Hole Size	Casing Size	Length	Weight	Grade & Thread	Max Mud Wt.	Cement	Sacks	Yield	Weight	
COND	17.5	13.375	0 - 300	48.0	H-40 ST&C	8.3	Type V	400	1.18	15.6	
SURF	12.25	8.625	0 - 3000	32.0	J-55 LT&C	8.3	Hi Lift "G"	326	3.91	11.0	
							10-2 RFC	185	1.6	14.2	
PROD	7.875	4.5	0 - 15245	15.5	P-110 LT&C	12.5	Hi Lift "G"	523	3.05	11.5	
							50/50 Poz	1876	1.28	14.1	
ATTACHMENTS											
VERIFY THE FOLLOWING ARE ATTACHED IN ACCORDANCE WITH THE UTAH OIL AND GAS CONSERVATION GENERAL RULES											
<input checked="" type="checkbox"/> WELL PLAT OR MAP PREPARED BY LICENSED SURVEYOR OR ENGINEER						<input checked="" type="checkbox"/> COMPLETE DRILLING PLAN					
<input type="checkbox"/> AFFIDAVIT OF STATUS OF SURFACE OWNER AGREEMENT (IF FEE SURFACE)						<input type="checkbox"/> FORM 5. IF OPERATOR IS OTHER THAN THE LEASE OWNER					
<input type="checkbox"/> DIRECTIONAL SURVEY PLAN (IF DIRECTIONALLY OR HORIZONTALLY DRILLED)						<input checked="" type="checkbox"/> TOPOGRAPHICAL MAP					
NAME Roger Knight				TITLE EHS Supervisor				PHONE 303 996-1803			
SIGNATURE				DATE 07/13/2011				EMAIL rknight@gascoenergy.com			
API NUMBER ASSIGNED 43013508860000				APPROVAL  Permit Manager							

RECEIVED: December 19, 2011

Gasco Production Company
41-19-11-15
NE/NE, Section #19, Township 11 South, Range 15 East
Duchesne County, Utah
Lease No. UTU- #ML-49945

Drilling Program

1. Estimated Tops of Important Geological Markers

Formation	Depth	Subsea
Wasatch	3125'	+3560
Mesaverde	7205'	-520'
Castlegate	9975'	-3090'
Blackhawk	10025'	-3340'
Spring Canyon	11025'	-4340'
Mancos	11344'	-4659'
Dakota Silt	15245'	-8560
TD	15245'	

2. Estimated Depth of Anticipated Water, Oil, Gas or Mineral Formations

Substance	Formation	Depth
Gas	Wasatch	3400' - 7205'
Gas	Mesaverde	7205' - 9975'
Gas	Blackhawk	10025' - 11125'
Gas	Mancos	11225' - 15245'

All fresh water and prospectively valuable minerals encountered during drilling will be recorded by depth and adequately protected. All oil and gas shows will be tested to determine commercial potential.

3. Pressure Control Equipment

All well control equipment will be in accordance to UDOGM Conservation Rules for 10M Systems and are as follows:

10,000# BOP with 4 ½" Pipe Rams
 10,000# BOP with Blind Rams
 5,000# Annular

Ram type preventers and associated equipment shall be tested to the approved stack working pressure if isolated by test plug or to 70 percent of internal yield pressure of casing. Pressure shall be maintained for at least 10 minutes or until requirements of test are met, whichever is longer. If a test plug is utilized, no bleed-off pressure is acceptable. For a test not utilizing a test plug, if a decline on pressure of more than 10 percent in 30 minutes occurs, the test shall be considered to have failed. Valve on casing head below test plug shall be open during test of BOP stack.

Pressure Control Equipment Continued

Annular type preventers (if used) shall be tested to 50 percent of rated working pressure. Pressure shall be maintained at least 10 minutes or until provisions of test are met, whichever is longer.

As a minimum, the above test shall be performed:

- a. when initially installed;
- b. whenever any seal subject to test pressure is broken
- c. following related repairs; and
- d. at 30 day intervals

Valves shall be tested from working pressure side during BOPE tests with all down stream valves open.

When testing the kill line valve(s) the check valve shall be held open or the ball removed.

Annular preventers shall be functionally operated at least weekly.

Pipe and blind rams shall be activated each trip, however, this function need not be performed more that once a day.

A BPOPE pit level drill shall be conducted weekly for each drilling crew.

Pressure tests shall apply to all related well control equipment.

All of the above described tests and/or drills shall be recorded in the drilling log.

BOP systems shall be consistent with API RP 53 Pressure tests will be conducted before drilling out from under casing strings which have been set and cemented in place. Blowout preventer controls will be installed prior to drilling the surface casing plug and will remain in use until the well is completed or abandoned. Preventers will be inspected and operated at least daily to ensure good mechanical working order, and this inspection will be recorded on the daily drilling report. Preventers will be pressure tested before drilling cement plugs.

A rotating head will be utilized to set surface casing as in the casing and string design. This would be used as a diverter.

UDOGM will be notified, with sufficient lead time, in order to have a UDGOM representative on location during testing.

a. The size and rating of the BOP stack is shown on the attached diagram. Although a rig has not yet been chosen to drill this well, most of the equipment for this depth will utilize 10M working BOP.

b. A choke line and kill line are to be properly installed. The kill line is not to be used as a fill-up line.

c. The accumulator system shall have a pressure capacity to provide for repeated operation of hydraulic preventers.

d. Drill string safety valve(s), to fit all tools in the drill string, are to be maintained on the rig floor while drilling operations are in progress.

4. Proposed Casing and Cementing Program

a. The proposed casing and cementing program shall be conducted as approved to protect and/or isolate all usable water zones, potentially productive zones, lost circulation zones abnormally pressured zones and any prospectively valuable deposits of minerals. Any isolating medium other than cement shall receive approval prior to use. The casing setting depth shall be calculated to position the casing seat opposite a competent formation which will contain the maximum pressure to which it will be exposed during normal drilling operations. Determination of casing setting depth shall be based on all relevant factors including: presence/absence of hydrocarbons, fracture gradients, usable water zones, formation pressures, lost circulation zones, other minerals, or other unusual characteristics. All indications of usable water shall be reported.

b. Casing Program

	<u>Depth</u>	<u>Hole Size</u>	<u>O.D.</u>	<u>Grade</u>	<u>Type</u>
Conductor	300'	17 1/2"	13 3/8"	H-40	-
Surface	3000'	12 1/4"	8 5/8"	J-55	LT&C
Production	15245'	7 7/8"	4 1/2"	P-110	LT&C

c. Casing design subject to revision based on geologic conditions encountered.

d. Cement Program

	<u>Est. Top of Cement</u>	<u>Cement Type</u>	<u>Yield</u>	<u>Supply Wt.</u>
Conductor	400	sxs Premium Type 5	1.18	15.6
Surface	326	sx Hilift	3.91	11
	185	sx10-2 RFC	1.60	14.2
Production	523	sx Hilift	3.05	11.5
	1876'	sx 50/50 poz	1.28	14.1

e. Anticipated cement tops will be reported as to depth; not the expected number of sacks of cement to be used. UDOGM should be notified, with sufficient lead time, in order to have a UDOGM representative on location while running all casing strings and cementing.

f. After cementing but before commencing any test, the casing string shall stand cemented until the cement has reached a compressive strength of at least 500 psi at the shoe. WOC time shall be recorded in the driller's log.

g. The following reports shall be filed with UDOGM within 30 days after the work is completed.

1. Progress reports, per UDOGM Conservation General Rules "Sundry Notices and Reports on Wells", must

Include complete information concerning:

a. Setting of each string of casing, showing the size, grade, weight of casing set, hole size, setting depth, amounts and type of cement used, whether cement circulated or the top of the cement behind the casing,

depth of cementing tools used, casing test method and results, and the date work was done. Show the spud date on the first reports submitted.

b. Temperature or bond log must be submitted for each well where the casing cement was not circulated to the surface.

c. Auxiliary equipment to be used is as follows:

1. Kelly cock
2. A bit float
3. A sub with full opening valve.

5. Drilling Fluids Program:

<u>Interval Type</u>	<u>Wt. (ppg)</u>	<u>Viscosity</u>	<u>pH</u>	<u>Water Loss</u>	<u>Remarks</u>
0-300'	Fresh water	8.33	1	7.0 NA	
300'-3000'	Fresh water	8.33	1	7.0 NA	
3000'-TD	Fresh water & DAP	9.0 – 12.5	30 - 40	8.0 10-12	

a. Sufficient quantities of mud material will be maintained on site or be readily available for the purpose of assuring well control. SPR will be recorded on a daily drilling report after mudding up. Visual mud monitoring will be conducted during operations.

b. No chromate additives will be used in the mud system on State lands without prior UDOGM approval to ensure adequate protection of fresh water aquifers.

c. No chemicals subject to reporting under SARA Title III in an amount equal to or greater than 10,000 pounds will be used, produced, stored, transported, or disposed of annually in association with the drilling of this well.

d. The use of materials under UDOGM jurisdiction will conform to the Conservation General Rules.

e. Water will come from: Water Right No. 41-3530.

f. Water will be hauled by commercial transport over the access roads shown on Attached Maps "A" and "B".

g. No water well will be drilled on this lease

6. Evaluation Program

The anticipated type and amount of testing, logging and coring are as follows:

a. No drill stem tests are anticipated, if DST's are run, the following requirements will be adhered to:

Initial opening of the drill stem test tools shall be restricted to daylight hours unless specific approval to start during other hours is obtained from the authorized officer (AO). However, DST's may be allowed to continue at night if the test was initiated during daylight hours and the rate of flow is stabilized and if adequate lighting is available (i.e. lighting which is adequate for visibility and vapor-proof for safe operations). Packers can be released, but tripping shall not begin before daylight, unless prior approval is obtained from the AO. Closed chamber DST's may be accomplished day or night.

A DST that flows to the surface with evidence of hydrocarbons shall be either reversed out of the testing string under controlled surface conditions. This would involve provided means for reverse circulation.

Separation equipment required for the anticipated recovery shall be properly installed before a test starts.

All engines within 100 feet of the wellbore that are required to "run" during the test shall have spark arresters or water cooled exhausts.

b. The logging program will consist of Schlumberger Platform Express (or equivalent) to be run from base of surface casing to TD.

c. No cores are anticipated.

d. Whether the well is completed as a dry hole or as a producer, "Well Completion and Recompletion Report and Log" will be submitted no later than 30 days after the completion of the well or after completion of operations being performed, in accordance with UDOGM Conservation General Rules. Two copies of all logs, core descriptions, core analyses, well tested data, geologic summaries, sample description, and all other surveys or data obtained and compiled during the drilling, workover, and/or completion operations, will be filed.

Samples (cuttings, fluids, and/or gases) will be submitted when requested by the AO.

e. The anticipated completion program is as follows: Perform multistage fracs and complete all productive zones present in the wellbore. Produce all zones commingled.

f. Daily drilling and completion progress reports shall be submitted to the UDOGM on a weekly basis.

7. Abnormal Temperatures and Pressures

a. The expected bottom hole pressure is 9147psig

The maximum bottom hole temperature anticipated is 274.41 degrees Fahrenheit.

b. No hydrogen sulfide gas is anticipated. Abnormal pressures will be controlled with mud weight and 10000# BOP and rotating head.

8. Anticipated Starting Dates and Notifications of Operations

a. Drilling is anticipated to commence immediately upon approval

b. It is anticipated that the drilling of this well will take approximately 45 days.

c. UDOGM shall be notified of the anticipated date of location construction and anticipated spud date.

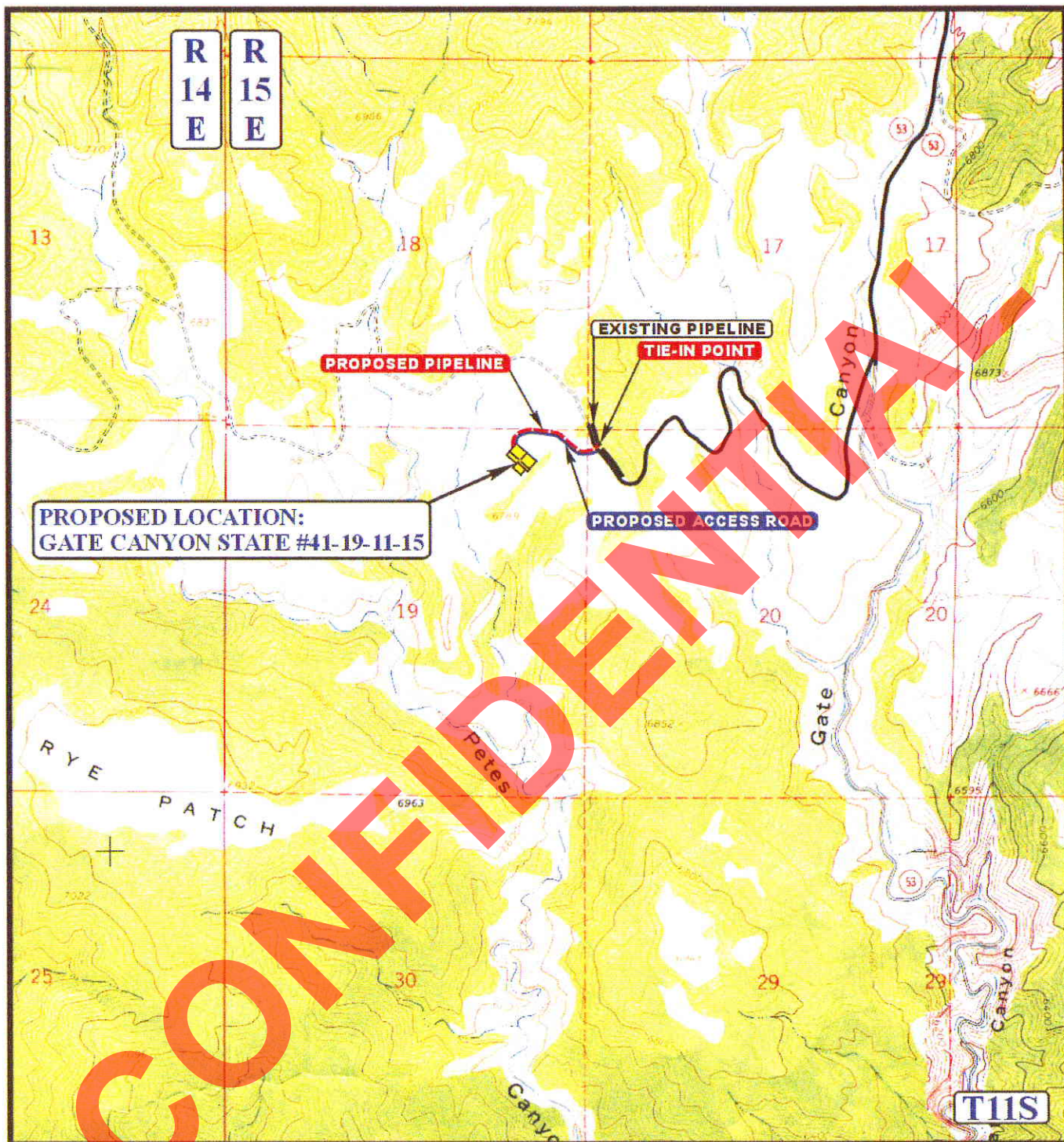
- d. No location will be constructed or moved, no well will be plugged, and no drilling or workover equipment will be removed from a well to be placed in a suspended status without prior approval of the AO. If operations are to be suspended, prior to approval from the AO will be obtained and notification given before resuming operations.
- e. The spud date will be reported orally to the AO within 48 hours of spudding. If the spudding occurs on a weekend or holiday, the report will be submitted via voice mail and/or e-mail to the AO.
- f. In accordance with UDOGM Conservation General Rules, this well will report "Monthly Report Operations", starting with the month in which operations commence and continue each month until the well is physically plugged and abandoned. This report will be filed with the UDOGM.
- g. Immediate Report: Spills, blowouts, fires, leaks, accidents, or any other unusual or undesirable events shall be reported promptly to the AO in accordance with the requirements.
- h. If a replacement rig is contemplated for completion operations, a "Sundry Notice" to that effect will be filed, or prior approval of the AO, and all conditions of this approved plan are applicable during all operations conducted with the replacement rig.
- i. Should the well be successfully completed for production, the AO will be notified when the well is placed on producing status. Written notification, e-mail or otherwise, will be sent no later than 5 days following the date on which the well is placed on production.
- j. With the approval of the UDOGM Engineer, produced water may be temporarily disposed of into unlined pits for a period of 90 days. During the period so authorized, an application for approval of the permanent disposal method, along with the required water analysis and other information, must be submitted to the UDOGM Engineer.
- k. Operators are authorized to vent/flare gas during initial well evaluation test, not exceeding a period of 30 days or the production of 50 MMCF of gas, whichever occurs first. An application must be filed with the UDOGM Engineer and approval received, for any venting/flaring of gas beyond the initial 30 day authorized test period.
- l. A schematic facilities diagram shall be submitted to UDOGM within 60 days of installation or first production whichever occurs first. All product lines entering and leaving hydrocarbon storage tanks will be effectively sealed in accordance with UDOGM Conservation General Rules.
- m. A first production conference will be scheduled within 15 days after receipt of the first production notice.
- n. No well abandonment operations will commence without the prior approval of the AO. In the case of newly drilled dry holes or failures, and in emergency situations, oral approval will be obtained from the AO. A "Subsequent Report of Abandonment" will be filed within 30 days following the completion of the well for abandonment. The report will indicate where plugs were placed and the current status of the surface restoration. Final abandonment will not be approved until the surface reclamation work has been completed to the satisfaction of the AO.

o. Lessees and operators have the responsibility of operating in a manner which conforms with the applicable Federal laws and regulations and with the State and local laws and regulations to the extent that such laws are applicable to operations on State lands.

Department of Natural Resources
Division of Oil, Gas and Mining
1594 West North Temple, Suite 1210
Salt Lake City, Utah 84116

Phone 801-538-5340
Fax 801-539-3940

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APPROXIMATE TOTAL PIPELINE DISTANCE = 1,459' +/-

LEGEND:

- PROPOSED ACCESS ROAD
- EXISTING ROAD
- - - - - PROPOSED PIPELINE
- - - - - EXISTING PIPELINE



GASCO PRODUCTION COMPANY
GATE CANYON STATE #41-19-11-15
SECTION 19, T11S, R15E, S.L.B.&M.
481' FNL 987' FEL

U E L S
Uintah Engineering & Land Surveying
85 South 200 East Vernal, Utah 84078
(435) 789-1017 * FAX (435) 789-1813

TOPOGRAPHIC **03 31 09**
MAP **MONTH DAY YEAR**
SCALE: 1" = 2000' **DRAWN BY: Z.L.** **REVISED: 00-00-00**

D1
TOPO

Gasco Production Company
Well Name
NE / NE, Section 19, Township 11 South, Range 15 East
Duchesne County, Utah
Lease No. UTU- #49945

ONSHORE OIL & GAS ORDER NO. 1

Notification Requirements

Location Construction-	48 hours prior to construction of location and access roads
Location completion-	prior to moving on with drilling rig.
Spud Notice-	at least 24 hours prior to spudding the well.
Casing String and Cementing-	24 hours notice prior to running casing and cementing.
BOP and Related Equipment-	24 hours prior to initiating pressure tests.
First Production Notice-	Within 5 business days after new well begins or production resumes after well has been off production for more than 90 days.

The onsite inspection for the subject well site will be conducted with at least one of the land management agency specialists and Gasco which may include the following individuals:

Natural Resource Specialist	UDOGM Representative
Wildlife Biologist	UDOGM Representative
Shon McKinnon	Permit Consultant
Surveyor	Gasco Production Company
	Utah Engineer and Land Surveying

1. Existing Roads

See Attached Topographic Map "A".

Description of travel from plats.

2. Planned Access Road

See Attached Topographic Map "B" for location of the proposed access road.

3. Location of Existing Wells

See Attached Topographic Map "C"

4. Location of Tank Batteries and Production Facilities

- a. All permanent surface equipment will be painted a **Color** approved by the land management agency.
- b. Storage tanks batteries will be surrounded by containment dike of sufficient capacity to contain at a minimum, the entire contents of the largest tank within the contained area, unless more stringent requirements are necessary as notified by the AO.
- c. A production layout will be submitted via sundry upon proven productivity of the well.
- d. All loading lines will be placed inside the berm/dike surrounding the tank battery.
- e. A Gas Meter Run will be placed within 500 ft. of the wellhead. Meter runs will be housed. The oil and gas measurement equipment will be installed on the well location. Measurement equipment will be calibrated in place prior to any deliveries. Tests for accuracy will be conducted monthly for the first three months on new installations and at least quarterly thereafter. The AO will be provided with a date and time for the initial meter calibration and all future meter proving schedules. A copy of the calibration reports will be submitted to the Vernal Field Office.
- f. Any necessary pits will be properly fenced to prevent any wildlife entry.
- g. The access road will be maintained in a safe, usable condition conducive to the climate and seasonal conditions in order to accommodate daily operation of the well and prevent erosion.
- h. Pipelines, up to 6" steel, will follow the proposed access for approximately 1320', as detailed in attached Map "D". The pipeline will be laid on the surface except road crossings where they will be buried to a depth of 3'-5'. The method of coupling will be welded. Associated pipeline components, such as risers, pig launchers/catchers, meters, valves, etc. will be contained within the 30' needed for construction of the pipeline.

5. Location and Type of Water

- a. Water will come from: **Water Right No. 41-3530**.
- b. Water will be hauled by commercial transport over the access roads shown on Attached Maps "A" and "B".
- c. No water well will be drilled on this lease.

6. Source of Construction Material

- a. Any gravel used will be obtained from a commercial source.
- b. The use of materials under BLM jurisdiction will conform to 43 CFR 3610.2.3.
- c. No construction materials will be used from Federal lands.

7. Methods of Handling Waste Disposal

- a. the reserve pit will be **felted and double lined with at least 16 mil liner.**
- b. All trash will be contained in an enclosed trash container through the drilling, completion, and facility construction phases and its contents removed and hauled to an approved disposal site as needed.
- c. A chemical porta-toilet will be furnished through the drilling, and completion phases.
- d. After first production, produced waste water will be confined to an unlined pit or storage tank for a period not to exceed 90 days. During the 90 day period, in accordance with Onshore Order No. 7, an application for approval of a permanent disposal method and location, along with the required water analysis, will be submitted for the AO's approval.
- e. Drill cuttings are to be contained and buried in the reserve pit.
- f. Any salts and/or chemicals which are an integral part of the drilling system will be disposed of in the same manner as the drilling fluid.

8. Ancillary Facilities

There are no airstrips, camps or other facilities planned during the drilling of this well except for those facilities needed for drilling rig personnel, service providers and company representatives.

9. Well Site Layout

See attached Location Layout Diagram

10. Plans for Restoration of Surface

- a. Immediately upon well completion, the location and surrounding area will be cleared of all unused tubing, equipment, materials, trash and debris not required for production.
- b. Upon completion, any hydrocarbon within the reserve pit will be removed in accordance with 43 CFR 3162.7-1.
- c. The reserve pit will be backfilled and reclaimed within 120 days from the well completion. The reserve pit liner will be perforated and excess liner removed before backfilling. Alternatively, the pit will be pumped dry, the liner folded into the pit and buried to a minimum of 4' deep.

d. That portion of the location not needed for production facilities or operations, or any disturbed areas upon final plug and abandonment, will be re-contoured to approximate natural contours and seeded with a seed mixture and procedure specified by the AO. Additionally, the topsoil pile will be seeded with the same mixture and procedure as specified.

11. Surface Ownership

The proposed access road and well pad is on lands managed by the State of Utah.

12. Other Information

- a. An archeological survey may be conducted by an Archeological Consultant.
- b. If historic or archeological materials are uncovered during construction, the operator will immediately stop work and contact the AO.
- c. COA's from onsite will be implemented/followed.
- d. The operator will control noxious weeds along associated well pad, roads, pipelines, and surface equipment. On BLM administered land it is required that a Pesticide Use Proposal shall be submitted and approved prior to the application of pesticides or herbicides.
- e. Drilling rigs and/or equipment used during drilling operations on this well site will not be stacked or stored on Federal lands after the conclusion of drilling operations or at any other time without BLM authorization.
- f. All lease and unit operations will be conducted in such a manner that full compliance is made with all applicable laws, regulations, Onshore Oil and Gas Orders, the approved plan of operations, and any applicable Notices to Lessees. The operator is fully responsible for the actions of his subcontractors.
- g. A complete copy of the APD shall be on location during construction and drilling of this site.

Water Disposal

Immediately upon first production all produced water will be confined to a steel storage tank. Water will be disposed of via truck transport to a State of Utah approved disposal site, such as Brennan Bottom.

Wildlife Timing Stipulations COA's from onsite will be implemented/followed.

13. Lessee's or Operators Representative

Gasco Production Company
Roger Knight – EHS Supervisor
8 Inverness Drive East, Suite 100
Englewood, CO 80112
(303)483-0044

Shon McKinnon (Permit Coordinator)
PO Box 189
Myton, Utah 84052
(435)823-8061
(435)636-3336

Certification

Please be advised that *Gasco Production Company* is considered to be the operator of the *Well Gate Canyon State, NE/NE Section 19, T11S, R15E, Lease No. UTU-49945, Duchesne County, Utah*; and is responsible under the term and conditions of the lease for the operations conducted upon the leased lands. Bond coverage is provided by **Bond #1233**.

I hereby certify that the proposed drill site and access road have been inspected and I am familiar with the conditions that currently exist; that the statements made in this plan are true and correct to the best of my knowledge; and that the work associated with the operations proposed here will be performed by Gasco Production Company its contractors and subcontractors in conformity with this plan and the terms and conditions under which it is approved. The statement is subject to the provisions of 18 U.S.C. 1000 for the filing of a false statement.



Name Company Representative
Gasco Production Company

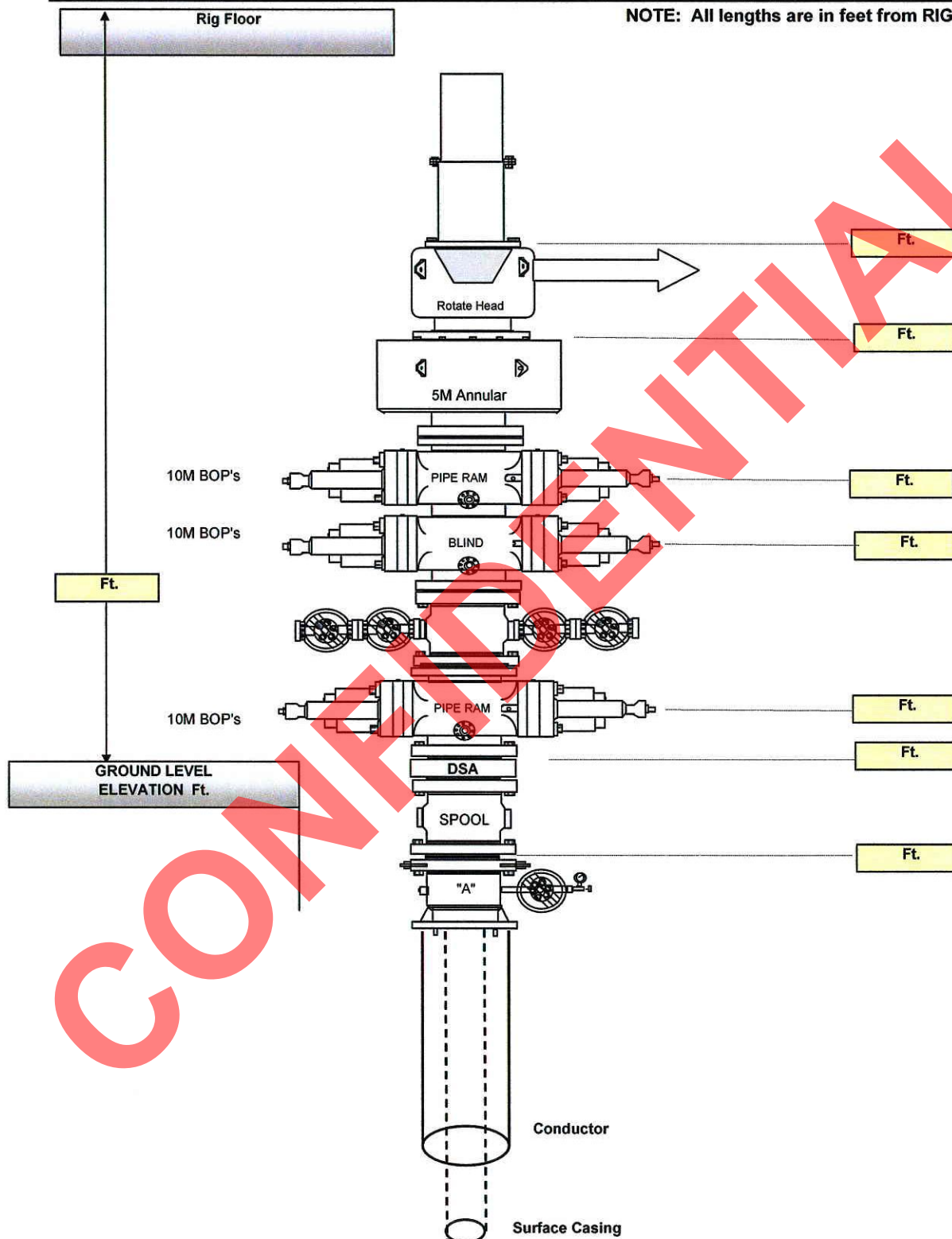
7-13-11

Date

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Gasco Energy Utah Region	DRILLING PHASE BOP Stack Diagram	River Bend Area Utah DATE: Rig:
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NOTE: All lengths are in feet from RIG FLOOR.





GASCO Energy, Inc.

8 Inverness Drive East
Suite 100
Englewood, CO 80112
(303) 483-0044
www.gascoenergy.com

July 13, 2011

Ms. Diana Mason
Division of Oil, Gas and Mining
P.O. Box 145801
Salt Lake City, Utah 84114-5801

RE: Exception Location per R649-3-3 for Gate Canyon 41-19-11-15 Duchesne County, Utah.

Ms. Mason:

Gasco Production Company is submitting this Exception Location request for GCS 41-19-11-15.

Gasco GCS 41-19-11-15 is an exception to Rule R649-3-3 Exception to Location and Siting of Wells due to topography additionally Gasco is the owner/operator of all oil and gas leases within 460' of the proposed location.

Please call or email me with any questions or comments.
Thank you


Roger Knight
303-996-1803
rknight@gascoenergy.com

United States Department of the Interior

BUREAU OF LAND MANAGEMENT

Utah State Office
P.O. Box 45155
Salt Lake City, Utah 84145-0155

IN REPLY REFER TO:
3160
(UT-922)

July 19, 2011

Memorandum

To: Assistant District Manager Minerals, Vernal District
From: Michael Coulthard, Petroleum Engineer
Subject: 2011 Plan of Development Gate Canyon Unit,
Duchesne County, Utah.

Pursuant to email between Diana Whitney, Division of Oil, Gas and Mining, and Mickey Coulthard, Utah State Office, Bureau of Land Management, the well is planned for calendar year 2011 within the Gate Canyon Unit, Duchesne County, Utah.

API #	WELL NAME	LOCATION
(Proposed PZ MANCOS)		
43-013-50886	Gate Canyon State	41-19-11-15 Sec 19 T11S R15E 0481 FNL 0987 FEL

This office has no objection to permitting the well at this time.

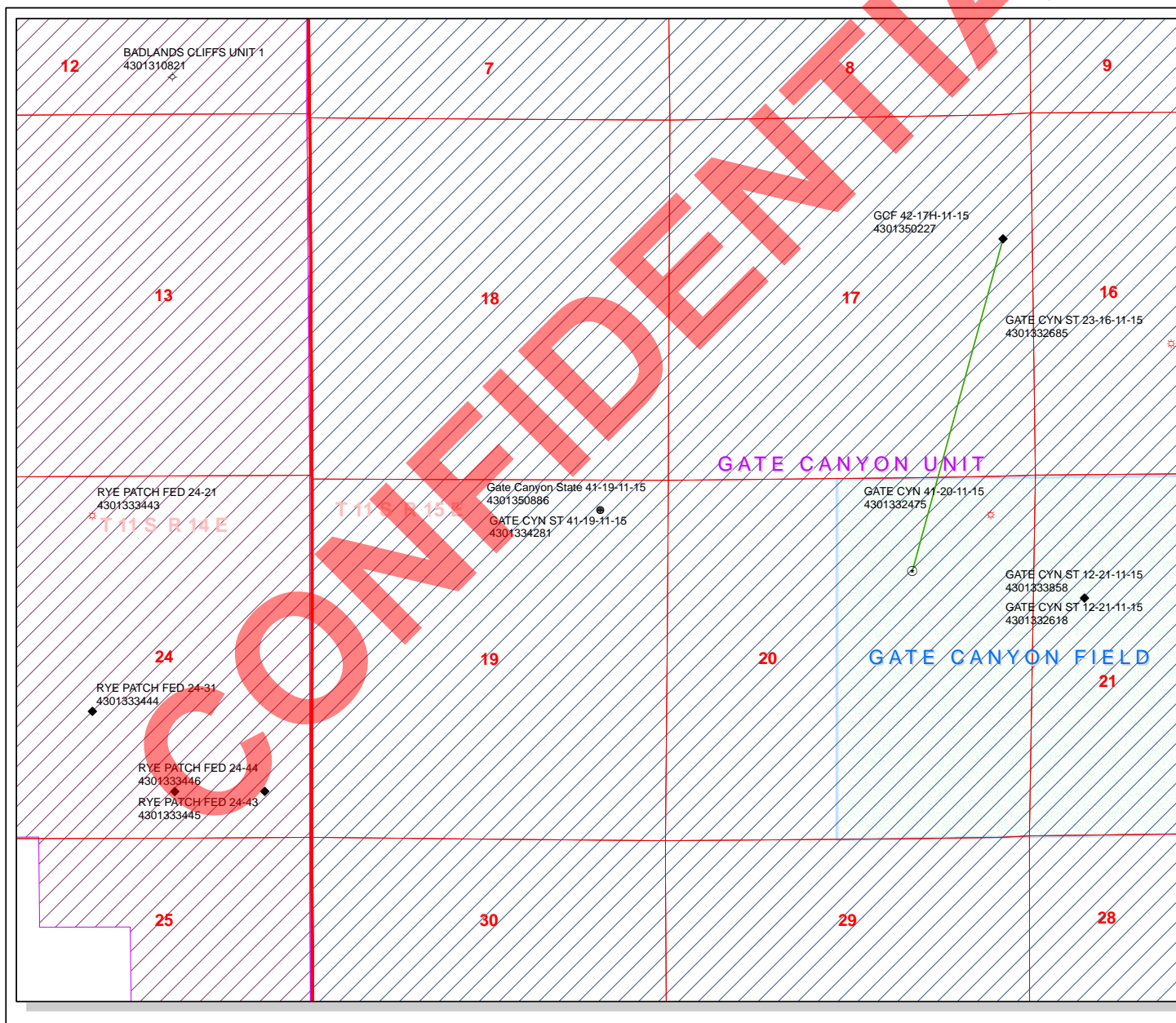
Michael L. Coulthard

Digitally signed by Michael L. Coulthard
DN: cn=Michael L. Coulthard, o=Bureau of Land Management,
ou=Branch of Minerals, email=Michael_Coulthard@blm.gov, c=US
Date: 2011.07.19 08:42:24 -06'00'

bcc: File - Gate Canyon Unit
Division of Oil Gas and Mining
Central Files
Agr. Sec. Chron
Fluid Chron

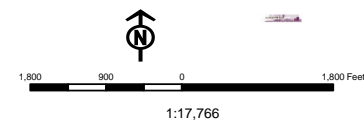
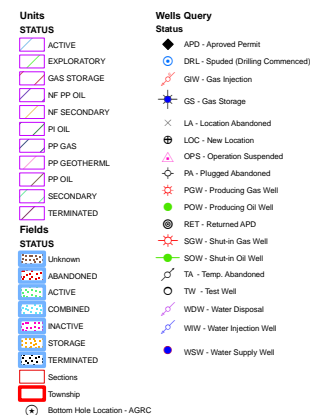
MCoulthard:mc:7-19-11

RECEIVED: July 19, 2011



API Number: 4301350886
Well Name: Gate Canyon State 41-19-11-15
Township T11. Range R1.5. Section 19
Meridian: SLBM
Operator: GASCO PRODUCTION COMPANY

Map Prepared:
Map Produced by Diana Mason



Well Name	GASCO PRODUCTION COMPANY Gate Canyon State 41-19-			
String	COND	SURF	PROD	
Casing Size(in)	13.375	9.625	4.500	
Setting Depth (TVD)	300	3000	15245	
Previous Shoe Setting Depth (TVD)	0	300	3000	
Max Mud Weight (ppg)	8.3	8.3	12.5	
BOPE Proposed (psi)	0	1000	10000	
Casing Internal Yield (psi)	1730	9440	14420	
Operators Max Anticipated Pressure (psi)	9147		11.5	

Calculations	COND String	13.375	"
Max BHP (psi)	.052*Setting Depth*MW=	129	
			BOPE Adequate For Drilling And Setting Casing at Depth?
MASP (Gas) (psi)	Max BHP-(0.12*Setting Depth)=	93	NO
MASP (Gas/Mud) (psi)	Max BHP-(0.22*Setting Depth)=	63	NO OK
			*Can Full Expected Pressure Be Held At Previous Shoe?
Pressure At Previous Shoe	Max BHP-.22*(Setting Depth - Previous Shoe Depth)=	63	NO
Required Casing/BOPE Test Pressure=		300	psi
*Max Pressure Allowed @ Previous Casing Shoe=		0	psi *Assumes 1psi/ft frac gradient

Calculations	SURF String	9.625	"
Max BHP (psi)	.052*Setting Depth*MW=	1295	
			BOPE Adequate For Drilling And Setting Casing at Depth?
MASP (Gas) (psi)	Max BHP-(0.12*Setting Depth)=	935	YES
MASP (Gas/Mud) (psi)	Max BHP-(0.22*Setting Depth)=	635	YES OK
			*Can Full Expected Pressure Be Held At Previous Shoe?
Pressure At Previous Shoe	Max BHP-.22*(Setting Depth - Previous Shoe Depth)=	701	NO Reasonable
Required Casing/BOPE Test Pressure=		3000	psi
*Max Pressure Allowed @ Previous Casing Shoe=		300	psi *Assumes 1psi/ft frac gradient

Calculations	PROD String	4.500	"
Max BHP (psi)	.052*Setting Depth*MW=	9909	
			BOPE Adequate For Drilling And Setting Casing at Depth?
MASP (Gas) (psi)	Max BHP-(0.12*Setting Depth)=	8080	YES
MASP (Gas/Mud) (psi)	Max BHP-(0.22*Setting Depth)=	6555	YES OK
			*Can Full Expected Pressure Be Held At Previous Shoe?
Pressure At Previous Shoe	Max BHP-.22*(Setting Depth - Previous Shoe Depth)=	7215	NO Reasonable
Required Casing/BOPE Test Pressure=		10000	psi
*Max Pressure Allowed @ Previous Casing Shoe=		3000	psi *Assumes 1psi/ft frac gradient

Calculations	String		"
Max BHP (psi)	.052*Setting Depth*MW=		
			BOPE Adequate For Drilling And Setting Casing at Depth?
MASP (Gas) (psi)	Max BHP-(0.12*Setting Depth)=		NO
MASP (Gas/Mud) (psi)	Max BHP-(0.22*Setting Depth)=		NO
			*Can Full Expected Pressure Be Held At Previous Shoe?
Pressure At Previous Shoe	Max BHP-.22*(Setting Depth - Previous Shoe Depth)=		NO
Required Casing/BOPE Test Pressure=			psi

API Well Number: 43013508860000

*Max Pressure Allowed @ Previous Casing Shoe=

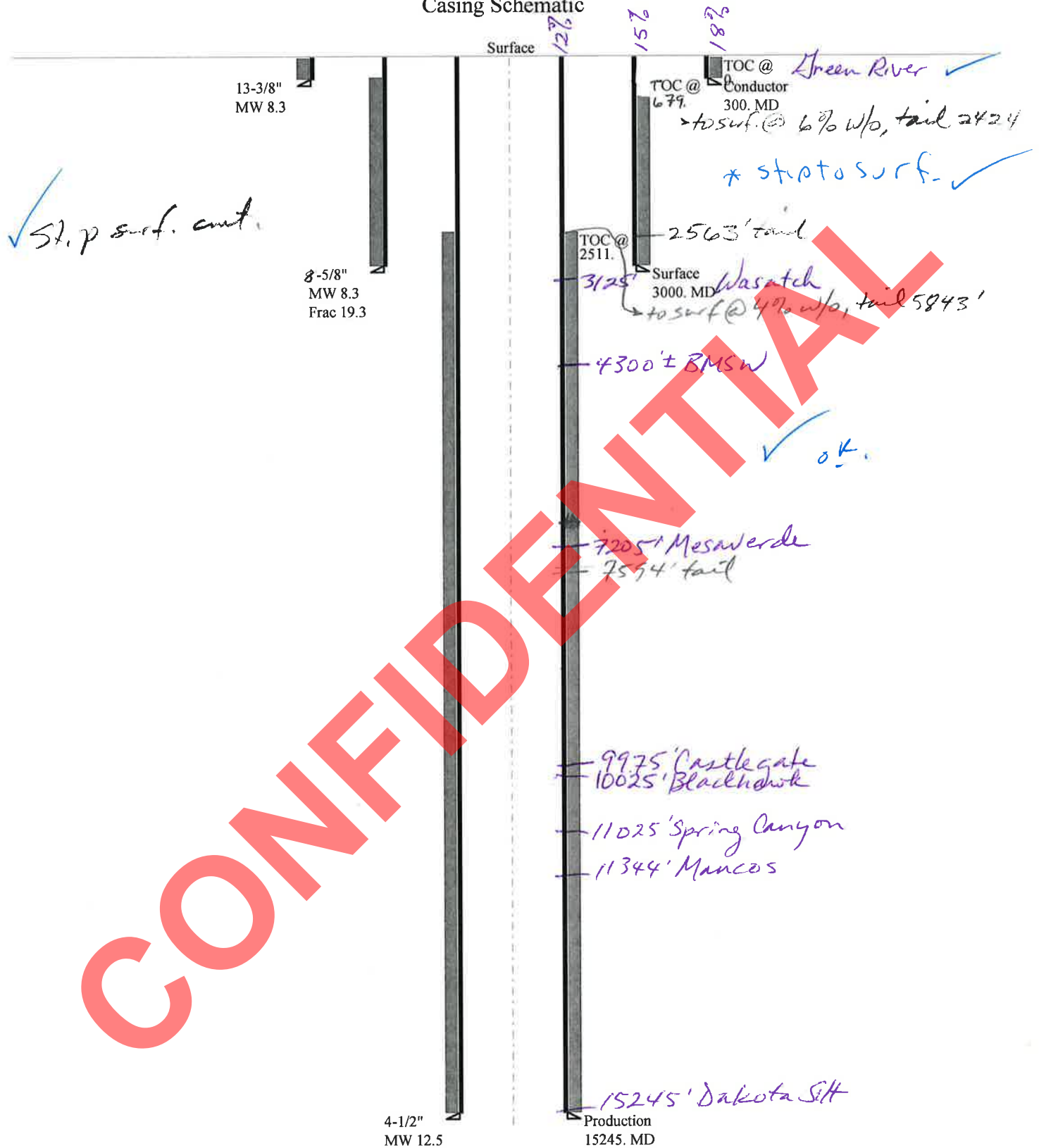
psi *Assumes 1psi/ft frac gradient

CONFIDENTIAL

RECEIVED: November 02, 2011

43013508860000 Gate Canyon State 41-19-11-15

Casing Schematic



Well name:	43013508860000 Gate Canyon State 41-19-11-15	
Operator:	GASCO PRODUCTION COMPANY	
String type:	Conductor	Project ID: 43-013-50886
Location:	DUCHESNE COUNTY	

Design parameters:**Collapse**

Mud weight: 8.330 ppg
Design is based on evacuated pipe.

Minimum design factors:**Collapse:**

Design factor 1.125

Burst:

Design factor 1.00

Environment:

H2S considered? No
Surface temperature: 74 °F
Bottom hole temperature: 78 °F
Temperature gradient: 1.40 °F/100ft
Minimum section length: 100 ft

Cement top: Surface

Burst

Max anticipated surface pressure: 94 psi
Internal gradient: 0.120 psi/ft
Calculated BHP 130 psi

No backup mud specified.

Tension:

8 Round STC: 1.80 (J)
8 Round LTC: 1.70 (J)
Buttress: 1.60 (J)
Premium: 1.50 (J)
Body yield: 1.50 (B)

Non-directional string.

Tension is based on air weight.
Neutral point: 263 ft

Run Seq	Segment Length (ft)	Size (in)	Nominal Weight (lbs/ft)	Grade	End Finish	True Vert Depth (ft)	Measured Depth (ft)	Drift Diameter (in)	Est. Cost (\$)
1	300	13.375	48.00	H-40	ST&C	300	300	12.59	3719
Run Seq	Collapse Load (psi)	Collapse Strength (psi)	Collapse Design Factor	Burst Load (psi)	Burst Strength (psi)	Burst Design Factor	Tension Load (kips)	Tension Strength (kips)	Tension Design Factor
1	130	740	5.702	130	1730	13.33	14.4	322	22.37 J

Prepared by: Helen Sadik-Macdonald
Div of Oil, Gas & Mining

Phone: 801 538-5357
FAX: 801-359-3940

Date: September 19, 2011
Salt Lake City, Utah

Remarks:

Collapse is based on a vertical depth of 300 ft, a mud weight of 8.33 ppg. The casing is considered to be evacuated for collapse purposes. Collapse strength is based on the Westcott, Dunlop & Kemler method of biaxial correction for tension.

Burst strength is not adjusted for tension.

Well name:	43013508860000 Gate Canyon State 41-19-11-15	
Operator:	GASCO PRODUCTION COMPANY	
String type:	Surface	Project ID: 43-013-50886
Location:	DUCHESNE COUNTY	

Design parameters:**Collapse**

Mud weight: 8.330 ppg
Design is based on evacuated pipe.

Minimum design factors:**Collapse:**

Design factor 1.125

Burst:

Design factor 1.00

Environment:

H2S considered? No
Surface temperature: 74 °F
Bottom hole temperature: 116 °F
Temperature gradient: 1.40 °F/100ft
Minimum section length: 100 ft

Cement top: 679 ft

Burst

Max anticipated surface pressure: 2,640 psi
Internal gradient: 0.120 psi/ft
Calculated BHP 3,000 psi

No backup mud specified.

Tension:

8 Round STC: 1.80 (J)
8 Round LTC: 1.70 (J)
Buttress: 1.60 (J)
Premium: 1.50 (J)
Body yield: 1.50 (B)

Tension is based on air weight.
Neutral point: 2,629 ft

Non-directional string.**Re subsequent strings:**

Next setting depth: 15,245 ft
Next mud weight: 12.500 ppg
Next setting BHP: 9,899 psi
Fracture mud wt: 19.250 ppg
Fracture depth: 3,000 ft
Injection pressure: 3,000 psi

Run Seq	Segment Length (ft)	Size (in)	Nominal Weight (lbs/ft)	Grade	End Finish	True Vert Depth (ft)	Measured Depth (ft)	Drift Diameter (in)	Est. Cost (\$)
1	3000	8.625	32.00	J-55	LT&C	3000	3000	7.875	24176
Run Seq	Collapse Load (psi)	Collapse Strength (psi)	Collapse Design Factor	Burst Load (psi)	Burst Strength (psi)	Burst Design Factor	Tension Load (kips)	Tension Strength (kips)	Tension Design Factor
1	1298	2530	1.949	3000	3930	1.31	96	417	4.34 J

Prepared by: Helen Sadik-Macdonald
Div of Oil, Gas & Mining

Phone: 801 538-5357
FAX: 801-359-3940

Date: September 26, 2011
Salt Lake City, Utah

Remarks:

Collapse is based on a vertical depth of 3000 ft, a mud weight of 8.33 ppg. The casing is considered to be evacuated for collapse purposes. Collapse strength is based on the Westcott, Dunlop & Kemler method of biaxial correction for tension.

Burst strength is not adjusted for tension.

Well name:	43013508860000 Gate Canyon State 41-19-11-15	
Operator:	GASCO PRODUCTION COMPANY	
String type:	Production	Project ID: 43-013-50886
Location:	DUCHESNE COUNTY	

Design parameters:**Collapse**

Mud weight: 12.500 ppg
Design is based on evacuated pipe.

Minimum design factors:**Collapse:**

Design factor 1.125

Burst:

Design factor 1.00

Environment:

H2S considered? No
Surface temperature: 74 °F
Bottom hole temperature: 287 °F
Temperature gradient: 1.40 °F/100ft
Minimum section length: 100 ft

Cement top: 2,511 ft

Burst

Max anticipated surface pressure: 6,545 psi
Internal gradient: 0.220 psi/ft
Calculated BHP 9,899 psi

No backup mud specified.

Tension:

8 Round STC: 1.80 (J)
8 Round LTC: 1.80 (J)
Buttress: 1.60 (J)
Premium: 1.50 (J)
Body yield: 1.60 (B)

Non-directional string.

Tension is based on buoyed weight.
Neutral point: 12,356 ft

Run Seq	Segment Length (ft)	Size (in)	Nominal Weight (lbs/ft)	Grade	End Finish	True Vert Depth (ft)	Measured Depth (ft)	Drift Diameter (in)	Est. Cost (\$)
1	15245	4.5	15.10	P-110	LT&C	15245	15245	3.701	95586
Run Seq	Collapse Load (psi)	Collapse Strength (psi)	Collapse Design Factor	Burst Load (psi)	Burst Strength (psi)	Burst Design Factor	Tension Load (kips)	Tension Strength (kips)	Tension Design Factor
1	9899	14350	1.450	9899	14420	1.46	186.6	406	2.18 J

Prepared by: Helen Sadik-Macdonald
Div of Oil, Gas & Mining

Phone: 801 538-5357
FAX: 801-359-3940

Date: September 19, 2011
Salt Lake City, Utah

Remarks:

Collapse is based on a vertical depth of 15245 ft, a mud weight of 12.5 ppg. The casing is considered to be evacuated for collapse purposes. Collapse strength is based on the Westcott, Dunlop & Kemler method of biaxial correction for tension.

Burst strength is not adjusted for tension.

Engineering responsibility for use of this design will be that of the purchaser.

From: Jim Davis
To: APD APPROVAL; rknight@gascoenergy.com
Date: 12/12/2011 2:25 PM
Subject: APD approval (one for Gasco)

The following APD has been approved by SITLA including arch clearance. As recommended in the paleo survey report, paleo monitoring of all road and pad construction will be a condition of SITLA's approval. Gasco, please acknowledge this stipulation by a reply to this email.

4301350886 Gate Canyon State 41-19-11-15

-Jim Davis

Jim Davis
Utah Trust Lands Administration
jimdavis1@utah.gov
Phone: (801) 538-5156

CONFIDENTIAL

ON-SITE PREDRILL EVALUATION

Utah Division of Oil, Gas and Mining

Operator GASCO PRODUCTION COMPANY
Well Name Gate Canyon State 41-19-11-15
API Number 43013508860000 **APD No** 4222 **Field/Unit** UNDESIGNATED
Location: 1/4,1/4 NENE **Sec** 19 **Tw** 11.0S **Rng** 15.0E 481 FNL 987 FEL
GPS Coord (UTM) 562401 4411006 **Surface Owner**

Participants

Richard Powell (DOGM), Jim Davis (SITLA), Alex Hansen (DWR), Jesse Duncan (Gasco)

Regional/Local Setting & Topography

This location sits on a high bench about 2.5 miles north of Nine Mile Canyon and approximately 1 mile west of Gate Canyon. The location slopes to the east to a small wash which then drains south toward Petes Canyon. Petes Canyon is a side canyon extending to the north of Nine Mile. Myton, UT is approximately 28 miles to the north.

Surface Use Plan

Current Surface Use

Wildlife Habitat

New Road Miles

0.25

Well Pad

Width 215 **Length** 380

Src Const Material

Onsite

Surface Formation

UNTA

Ancillary Facilities N

Waste Management Plan Adequate?

Y

Environmental Parameters

Affected Floodplains and/or Wetlands N

Flora / Fauna

Deer, elk, coyote, rabbits and other small mammals, song birds, raptors
Sage, prickly pear cactus, grasses, shrubs

Soil Type and Characteristics

Sandy clay soil with scattered flag stone on the surface.

Erosion Issues N

Sedimentation Issues N

Site Stability Issues N

Drainage Diversion Required? Y

Drainage diversion needed around northwest corner of location

Berm Required? Y

Erosion Sedimentation Control Required? N

Paleo Survey Run? Paleo Potential Observed? N Cultural Survey Run? Y Cultural Resources? N

Reserve Pit**Site-Specific Factors****Site Ranking**

Distance to Groundwater (feet)	>200	0
Distance to Surface Water (feet)	>1000	0
Dist. Nearest Municipal Well (ft)	>5280	0
Distance to Other Wells (feet)	>1320	0
Native Soil Type	Mod permeability	10
Fluid Type	Fresh Water	5
Drill Cuttings	Normal Rock	0
Annual Precipitation (inches)	10 to 20	5
Affected Populations		
Presence Nearby Utility Conduits	Not Present	0
Final Score		20

1 Sensitivity Level

Characteristics / Requirements

The reserve pit will be placed in cut in a stable location. The pit will be 100ft x 150ft x 10ft deep with a total capacity including freeboard of 13,900bbl. Jesse Duncan of Gasco said they are willing to use whatever liner is required. In the application Gasco said they would use a double 16 mil liner with a felt subliner. This seems reasonable for this site due to the close proximity to a deep canyon.

Closed Loop Mud Required? N Liner Required? Y Liner Thickness 32 Pit Underlayment Required? Y

Other Observations / Comments

Richard Powell
Evaluator

8/10/2011
Date / Time

Application for Permit to Drill

Statement of Basis

12/19/2011

Utah Division of Oil, Gas and Mining

Page 1

APD No	API WellNo	Status	Well Type	Surf Owner	CBM
4222	43013508860000	LOCKED	GW	S	No
Operator	GASCO PRODUCTION COMPANY		Surface Owner-APD		
Well Name	Gate Canyon State 41-19-11-15		Unit	GATE CANYON	
Field	UNDESIGNATED		Type of Work	DRILL	
Location	NENE 19 11S 15E S 481 FNL 987 FEL GPS Coord (UTM) 562332E 4411210N				

Geologic Statement of Basis

Gasco has proposed 300' of surface casing and 3,000' of intermediate casing at the proposed location. Both are to be cemented to surface. The base of the moderately saline water is estimated to at approximately 4,300'. A search of Division of Water Rights records shows no water wells within a 10,000' radius of the proposed location. The surface formation at this location is the Green River Formation. This area can be considered a recharge area for aquifers in the Green River Formation. The Green River Formation is made up of interbedded sands, limestones and shales. The proposed casing and cementing program should adequately protect the recharge area and any useable sources of ground water.

Brad Hill
APD Evaluator

9/8/2011
Date / Time

Surface Statement of Basis

This location is on state owned surface with state owned minerals. Jim Davis of SITLA was present as the land owner representative. Mr. Davis was concerned about the access road and question why it did not enter from section 18 and he planned to look into this to determine why the route was chosen because coming from the north there would be no need to create an additional crossing over the wash to the east of this location. A small drainage was discussed and will need to be diverted around the north west corner of the location. Mr. Duncan agreed to this and it is indicated on the survey map. Alex Hansen of DWR stated that this site is crucial deer winter range and requested that construction and drilling activities not take place from November 1 to April 15. A double 16 mil liner with felt will be used in the reserve pit.

Richard Powell
Onsite Evaluator

8/10/2011
Date / Time

Conditions of Approval / Application for Permit to Drill

Category	Condition
Pits	A double synthetic liner with a minimum thickness of 16 mils with a felt subliner shall be properly installed and maintained in the reserve pit.
Surface	The well site shall be bermed to prevent fluids from leaving the pad.
Surface	The reserve pit shall be fenced upon completion of drilling operations.
Surface	Drainages adjacent to the proposed pad shall be diverted around the location.

RECEIVED: December 19, 2011

WORKSHEET APPLICATION FOR PERMIT TO DRILL

APD RECEIVED: 7/13/2011

API NO. ASSIGNED: 43013508860000

WELL NAME: Gate Canyon State 41-19-11-15

OPERATOR: GASCO PRODUCTION COMPANY (N2575)

PHONE NUMBER: 303 996-1803

CONTACT: Roger Knight

PROPOSED LOCATION: NENE 19 110S 150E

Permit Tech Review: ☒

SURFACE: 0481 FNL 0987 FEL

Engineering Review: ☒

BOTTOM: 0481 FNL 0987 FEL

Geology Review: ☒

COUNTY: DUCHESNE

LATITUDE: 39.84862

LONGITUDE: -110.27138

UTM SURF EASTINGS: 562332.00

NORTHINGS: 4411210.00

FIELD NAME: UNDESIGNATED

LEASE TYPE: 3 - State

LEASE NUMBER: ML-49945

PROPOSED PRODUCING FORMATION(S): MANCOS

SURFACE OWNER: 3 - State

COALBED METHANE: NO

RECEIVED AND/OR REVIEWED:

- ☒ PLAT
- ☒ Bond: STATE - 4127763
- ☐ Potash
- ☐ Oil Shale 190-5
- ☐ Oil Shale 190-3
- ☐ Oil Shale 190-13
- ☒ Water Permit: 41-3530
- ☐ RDCC Review:
- ☐ Fee Surface Agreement
- ☐ Intent to Commingle
- Commingle Approved

LOCATION AND SITING:

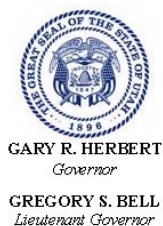
- ☐ R649-2-3.
- Unit: GATE CANYON
- ☐ R649-3-2. General
- ☒ R649-3-3. Exception
- ☒ Drilling Unit
- Board Cause No: R649-3-3
- Effective Date:
- Siting:
- ☐ R649-3-11. Directional Drill

Comments: Presite Completed

Stipulations:

- 1 - Exception Location - dmason
- 5 - Statement of Basis - bhll
- 23 - Spacing - dmason
- 25 - Surface Casing - hmacdonald

RECEIVED: December 19, 2011



State of Utah

DEPARTMENT OF NATURAL RESOURCES

MICHAEL R. STYLER
Executive Director

Division of Oil, Gas and Mining

JOHN R. BAZA
Division Director

Permit To Drill

Well Name: Gate Canyon State 41-19-11-15

API Well Number: 43013508860000

Lease Number: ML-49945

Surface Owner: STATE

Approval Date: 12/19/2011

Issued to:

GASCO PRODUCTION COMPANY, 8 Inverness Dr. East, Suite 100, Englewood, CO 80112

Authority:

Pursuant to Utah Code Ann. §40-6-1 et seq., and Utah Administrative Code R649-3-1 et seq., the Utah Division of Oil, Gas and Mining issues conditions of approval, and permit to drill the listed well. This permit is issued in accordance with the requirements of R649-3-3. The expected producing formation or pool is the MANCOS Formation(s), completion into any other zones will require filing a Sundry Notice (Form 9). Completion and commingling of more than one pool will require approval in accordance with R649-3-22.

Duration:

This approval shall expire one year from the above date unless substantial and continuous operation is underway, or a request for extension is made prior to the expiration date

Exception Location:

Appropriate information has been submitted to DOGM and administrative approval of the requested exception location is hereby granted.

General:

Compliance with the requirements of Utah Admin. R. 649-1 et seq., the Oil and Gas Conservation General Rules, and the applicable terms and provisions of the approved Application for permit to drill.

Conditions of Approval:

This proposed well is located in an area for which drilling units (well spacing patterns) have not been established through an order of the Board of Oil, Gas and Mining (the "Board"). In order to avoid the possibility of waste or injury to correlative rights, the operator is requested, once the well has been drilled, completed, and has produced, to analyze geological and engineering data generated therefrom, as well as any similar data from surrounding areas if available. As soon as is practicable after completion of its analysis, and if the analysis suggests an area larger than the quarter-quarter section upon which the well is located is being drained, the operator is requested to seek an appropriate order from the Board establishing drilling and spacing units in conformance with such analysis by filing a Request for Agency Action with the Board.

Compliance with the Conditions of Approval/Application for Permit to Drill outlined in the Statement of Basis (copy attached).

Surface casing shall be cemented to the surface.

Additional Approvals:

The operator is required to obtain approval from the Division of Oil, Gas and mining before performing any of the following actions during the drilling of this well:

- Any changes to the approved drilling plan – contact Dustin Doucet
- Significant plug back of the well – contact Dustin Doucet
- Plug and abandonment of the well – contact Dustin Doucet

Notification Requirements:

The operator is required to notify the Division of Oil, Gas and Mining of the following actions during drilling of this well:

- Within 24 hours following the spudding of the well – contact Carol Daniels
OR
submit an electronic sundry notice (pre-registration required) via the Utah Oil & Gas website at <http://oilgas.ogm.utah.gov>
- 24 hours prior to testing blowout prevention equipment - contact Dan Jarvis
- 24 hours prior to cementing or testing casing – contact Dan Jarvis
- Within 24 hours of making any emergency changes to the approved drilling program – contact Dustin Doucet
- 24 hours prior to commencing operations to plug and abandon the well – contact Dan Jarvis

Contact Information:

The following are Division of Oil, Gas and Mining contacts and their telephone numbers (please leave a voicemail message if the person is not available to take the call):

- Carol Daniels 801-538-5284 - office
- Dustin Doucet 801-538-5281 - office
801-733-0983 - after office hours
- Dan Jarvis 801-538-5338 - office
801-231-8956 - after office hours

Reporting Requirements:

All reports, forms and submittals as required by the Utah Oil and Gas Conservation General Rules will be promptly filed with the Division of Oil, Gas and Mining, including but not limited to:

- Entity Action Form (Form 6) – due within 5 days of spudding the well
- Monthly Status Report (Form 9) – due by 5th day of the following calendar month
- Requests to Change Plans (Form 9) – due prior to implementation
- Written Notice of Emergency Changes (Form 9) – due within 5 days
- Notice of Operations Suspension or Resumption (Form 9) – due prior to implementation
- Report of Water Encountered (Form 7) – due within 30 days after completion
- Well Completion Report (Form 8) – due within 30 days after completion or plugging

Approved By:



For John Rogers
Associate Director, Oil & Gas

STATE OF UTAH DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS, AND MINING		FORM 9
SUNDRY NOTICES AND REPORTS ON WELLS Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.		5. LEASE DESIGNATION AND SERIAL NUMBER: ML-49945
1. TYPE OF WELL Gas Well		6. IF INDIAN, ALLOTTEE OR TRIBE NAME:
2. NAME OF OPERATOR:		7. UNIT or CA AGREEMENT NAME: GATE CANYON
3. ADDRESS OF OPERATOR: , , , Ext		8. WELL NAME and NUMBER: GATE CANYON ST 41-19-11-15
4. LOCATION OF WELL FOOTAGES AT SURFACE: 0481 FNL 0987 FEL QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: Qtr/Qtr: NENE Section: 19 Township: 11.0S Range: 15.0E Meridian: S		9. API NUMBER: 43013508860000
9. FIELD and POOL or WILDCAT: UNDESIGNATED		COUNTY: DUCHESNE
STATE: UTAH		

11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION		
<input checked="" type="checkbox"/> NOTICE OF INTENT Approximate date work will start: 12/19/2013	<input type="checkbox"/> ACIDIZE <input type="checkbox"/> CHANGE TO PREVIOUS PLANS <input type="checkbox"/> CHANGE WELL STATUS <input type="checkbox"/> DEEPEN <input type="checkbox"/> OPERATOR CHANGE <input type="checkbox"/> PRODUCTION START OR RESUME <input type="checkbox"/> REPERFORATE CURRENT FORMATION <input type="checkbox"/> TUBING REPAIR <input type="checkbox"/> WATER SHUTOFF <input type="checkbox"/> WILDCAT WELL DETERMINATION	<input type="checkbox"/> ALTER CASING <input type="checkbox"/> CHANGE TUBING <input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS <input type="checkbox"/> FRACTURE TREAT <input type="checkbox"/> PLUG AND ABANDON <input type="checkbox"/> RECLAMATION OF WELL SITE <input type="checkbox"/> SIDETRACK TO REPAIR WELL <input type="checkbox"/> VENT OR FLARE <input type="checkbox"/> SI TA STATUS EXTENSION <input type="checkbox"/> OTHER	<input type="checkbox"/> CASING REPAIR <input type="checkbox"/> CHANGE WELL NAME <input type="checkbox"/> CONVERT WELL TYPE <input type="checkbox"/> NEW CONSTRUCTION <input type="checkbox"/> PLUG BACK <input type="checkbox"/> RECOMPLETE DIFFERENT FORMATION <input type="checkbox"/> TEMPORARY ABANDON <input type="checkbox"/> WATER DISPOSAL <input checked="" type="checkbox"/> APD EXTENSION OTHER: <input style="width: 100px;" type="text"/>
<input type="checkbox"/> SUBSEQUENT REPORT Date of Work Completion:			
<input type="checkbox"/> SPUD REPORT Date of Spud:			
<input type="checkbox"/> DRILLING REPORT Report Date:			

12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.

Approved by the
Utah Division of
Oil, Gas and Mining

Date: December 24, 2012

By:

NAME (PLEASE PRINT) Roger Knight	PHONE NUMBER 303 996-1803	TITLE EHS Supervisor
SIGNATURE N/A	DATE 12/19/2012	



The Utah Division of Oil, Gas, and Mining

- State of Utah
- Department of Natural Resources

Electronic Permitting System - Sundry Notices

Request for Permit Extension Validation Well Number 43013508860000

API: 43013508860000

Well Name: GATE CANYON ST 41-19-11-15

Location: 0481 FNL 0987 FEL QTR NENE SEC 19 TWP 110S RNG 150E MER S

Company Permit Issued to: GASCO PRODUCTION COMPANY

Date Original Permit Issued: 12/19/2011

The undersigned as owner with legal rights to drill on the property as permitted above, hereby verifies that the information as submitted in the previously approved application to drill, remains valid and does not require revision. Following is a checklist of some items related to the application, which should be verified.

- If located on private land, has the ownership changed, if so, has the surface agreement been updated? ☒ Yes ☐ No
- Have any wells been drilled in the vicinity of the proposed well which would affect the spacing or siting requirements for this location? ☐ Yes ☒ No
- Has there been any unit or other agreements put in place that could affect the permitting or operation of this proposed well? ☐ Yes ☒ No
- Have there been any changes to the access route including ownership, or rightof- way, which could affect the proposed location? ☐ Yes ☒ No
- Has the approved source of water for drilling changed? ☐ Yes ☒ No
- Have there been any physical changes to the surface location or access route which will require a change in plans from what was discussed at the onsite evaluation? ☐ Yes ☒ No
- Is bonding still in place, which covers this proposed well? ☒ Yes ☐ No

Signature: Roger Knight

Date: 12/19/2012

Title: EHS Supervisor **Representing:** GASCO PRODUCTION COMPANY

STATE OF UTAH DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS, AND MINING		FORM 9
SUNDRY NOTICES AND REPORTS ON WELLS Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.		5. LEASE DESIGNATION AND SERIAL NUMBER: ML-49945
1. TYPE OF WELL Gas Well		6. IF INDIAN, ALLOTTEE OR TRIBE NAME:
2. NAME OF OPERATOR: GASCO PRODUCTION COMPANY		7. UNIT or CA AGREEMENT NAME: GATE CANYON
3. ADDRESS OF OPERATOR: 8 Inverness Dr. East, Suite 100, Englewood, CO, 80112		8. WELL NAME and NUMBER: GATE CANYON ST 41-19-11-15
4. LOCATION OF WELL FOOTAGES AT SURFACE: 0481 FNL 0987 FEL QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: Qtr/Qtr: NENE Section: 19 Township: 11.0S Range: 15.0E Meridian: S		9. API NUMBER: 43013508860000
PHONE NUMBER: 303 996-1805 Ext		9. FIELD and POOL or WILDCAT: UNDESIGNATED
COUNTY: DUCHESNE		STATE: UTAH

11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION
<input checked="" type="checkbox"/> NOTICE OF INTENT Approximate date work will start: 11/1/2013	<div style="display: flex; flex-wrap: wrap;"> <div style="width: 33%;"><input type="checkbox"/> ACIDIZE</div> <div style="width: 33%;"><input type="checkbox"/> ALTER CASING</div> <div style="width: 33%;"><input type="checkbox"/> CASING REPAIR</div> <div style="width: 33%;"><input checked="" type="checkbox"/> CHANGE TO PREVIOUS PLANS</div> <div style="width: 33%;"><input type="checkbox"/> CHANGE TUBING</div> <div style="width: 33%;"><input type="checkbox"/> CHANGE WELL NAME</div> <div style="width: 33%;"><input type="checkbox"/> CHANGE WELL STATUS</div> <div style="width: 33%;"><input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS</div> <div style="width: 33%;"><input type="checkbox"/> CONVERT WELL TYPE</div> <div style="width: 33%;"><input type="checkbox"/> DEEPEN</div> <div style="width: 33%;"><input type="checkbox"/> FRACTURE TREAT</div> <div style="width: 33%;"><input type="checkbox"/> NEW CONSTRUCTION</div> <div style="width: 33%;"><input type="checkbox"/> OPERATOR CHANGE</div> <div style="width: 33%;"><input type="checkbox"/> PLUG AND ABANDON</div> <div style="width: 33%;"><input type="checkbox"/> PLUG BACK</div> <div style="width: 33%;"><input type="checkbox"/> PRODUCTION START OR RESUME</div> <div style="width: 33%;"><input type="checkbox"/> RECLAMATION OF WELL SITE</div> <div style="width: 33%;"><input type="checkbox"/> RECOMPLETE DIFFERENT FORMATION</div> <div style="width: 33%;"><input type="checkbox"/> REPERFORATE CURRENT FORMATION</div> <div style="width: 33%;"><input type="checkbox"/> SIDETRACK TO REPAIR WELL</div> <div style="width: 33%;"><input type="checkbox"/> TEMPORARY ABANDON</div> <div style="width: 33%;"><input type="checkbox"/> TUBING REPAIR</div> <div style="width: 33%;"><input type="checkbox"/> VENT OR FLARE</div> <div style="width: 33%;"><input type="checkbox"/> WATER DISPOSAL</div> <div style="width: 33%;"><input type="checkbox"/> WATER SHUTOFF</div> <div style="width: 33%;"><input type="checkbox"/> SI TA STATUS EXTENSION</div> <div style="width: 33%;"><input type="checkbox"/> WILDCAT WELL DETERMINATION</div> <div style="width: 33%;"><input type="checkbox"/> OTHER</div> </div>
<input type="checkbox"/> SUBSEQUENT REPORT Date of Work Completion:	
<input type="checkbox"/> SPUD REPORT Date of Spud:	
<input type="checkbox"/> DRILLING REPORT Report Date:	
OTHER: <input style="width: 100%;" type="text"/>	

12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.

Gasco proposes to change the conductor & surface casing, and the drilling fluids program as outlined in the attached revised drilling program.

REQUEST DENIED
Utah Division of
Oil, Gas and Mining

Date: November 05, 2013

By: 

NAME (PLEASE PRINT) Jessica Berg	PHONE NUMBER 303 996-1805	TITLE Regulatory Analyst
SIGNATURE N/A	DATE 10/23/2013	



The Utah Division of Oil, Gas, and Mining

- State of Utah
- Department of Natural Resources

Electronic Permitting System - Sundry Notices

Sundry Conditions of Approval Well Number 43013508860000

Surface casing proposal to drill into potential hydrocarbon bearing zone and without BOPE/Diversion is inadequate.

**Gasco Production Company
Gate Canyon State 41-19-11-15
NE/NE, Section #19, Township 11 South, Range 15 East
Duchesne County, Utah
Lease No. UTU- #ML-49945**

Drilling Program

1. Estimated Tops of Important Geological Markers

Formation	Depth	Subsea
Wasatch	3125'	+3560
Mesaverde	7205'	-520'
Castlegate	9975'	-3090'
Blackhawk	10025'	-3340'
Spring Canyon	11025'	-4340'
Mancos	11344'	-4659'
Dakota Silt	15245'	-8560
TD	15245'	

2. Estimated Depth of Anticipated Water, Oil, Gas or Mineral Formations

Substance	Formation	Depth
Gas	Wasatch	3400' – 7205'
Gas	Mesaverde	7205' – 9975'
Gas	Blackhawk	10025' - 11125'
Gas	Mancos	11225' - 15245'

All fresh water and prospectively valuable minerals encountered during drilling will be recorded by depth and adequately protected. All oil and gas shows will be tested to determine commercial potential.

3. Pressure Control Equipment

All well control equipment will be in accordance to UDOGM Conservation Rules for 10M Systems and are as follows:

10,000# BOP with 4 ½" Pipe Rams
10,000# BOP with Blind Rams
5,000# Annular

Ram type preventers and associated equipment shall be tested to the approved stack working pressure if isolated by test plug or to 70 percent of internal yield pressure of casing. Pressure shall be maintained for at least 10 minutes or until requirements of test are met, whichever is longer. If a test plug is utilized, no bleed-off pressure is acceptable. For a test not utilizing a test plug, if a decline on pressure of more than 10 percent in 30 minutes occurs, the test shall be considered to have failed. Valve on casing head below test plug shall be open during test of BOP stack.

Pressure Control Equipment Continued

Annular type preventers (if used) shall be tested to 50 percent of rated working pressure. Pressure shall be maintained at least 10 minutes or until provisions of test are met, whichever is longer.

As a minimum, the above test shall be performed:

- a. when initially installed;
- b. whenever any seal subject to test pressure is broken
- c. following related repairs; and
- d. at 30 day intervals

Valves shall be tested from working pressure side during BOPE tests with all down stream valves open.

When testing the kill line valve(s) the check valve shall be held open or the ball removed.

Annular preventers shall be functionally operated at least weekly.

Pipe and blind rams shall be activated each trip, however, this function need not be performed more than once a day.

A BPOPE pit level drill shall be conducted weekly for each drilling crew.

Pressure tests shall apply to all related well control equipment.

All of the above described tests and/or drills shall be recorded in the drilling log.

BOP systems shall be consistent with API RP 53 Pressure tests will be conducted before drilling out from under casing strings which have been set and cemented in place. Blowout preventer controls will be installed prior to drilling the surface casing plug and will remain in use until the well is completed or abandoned. Preventers will be inspected and operated at least daily to ensure good mechanical working order, and this inspection will be recorded on the daily drilling report. Preventers will be pressure tested before drilling cement plugs.

A rotating head will be utilized to set surface casing as in the casing and string design. This would be used as a diverter.

UDOGM will be notified, with sufficient lead time, in order to have a UDGOM representative on location during testing.

- a. The size and rating of the BOP stack is shown on the attached diagram. Although a rig has not yet been chosen to drill this well, most of the equipment for this depth will utilize 10M working BOP.
- b. A choke line and kill line are to be properly installed. The kill line is not to be used as a fill-up line.
- c. The accumulator system shall have a pressure capacity to provide for repeated operation of hydraulic preventers.
- d. Drill string safety valve(s), to fit all tools in the drill string, are to be maintained on the rig floor while drilling operations are in progress.

4. Proposed Casing and Cementing Program

a. The proposed casing and cementing program shall be conducted as approved to protect and/or isolate all usable water zones, potentially productive zones, lost circulation zones abnormally pressured zones and any prospectively valuable deposits of minerals. Any isolating medium other than cement shall receive approval prior to use. The casing setting depth shall be calculated to position the casing seat opposite a competent formation which will contain the maximum pressure to which it will be exposed during normal drilling operations. Determination of casing setting depth shall be based on all relevant factors including: presence/absence of hydrocarbons, fracture gradients, usable water zones, formation pressures, lost circulation zones, other minerals, or other unusual characteristics. All indications of usable water shall be reported.

b. Casing Program

	<u>Depth</u>	<u>Hole Size</u>	<u>O.D.</u>	<u>Grade</u>	<u>Type</u>
Conductor	60'	20"	16"	H-40	-
Surface	3500'	11"	8 5/8"	N-80	LT&C
Production	15245'	7 7/8"	4 1/2"	P-110	LT&C

c. Casing design subject to revision based on geologic conditions encountered.

d. Cement Program

	<u>Est. Top of Cement</u>	<u>Cement Type</u>	<u>Yield</u>	<u>Supply Wt.</u>
Conductor	400	sxs Premium Type 5	1.18	15.6
Surface	326	sx Hilift	3.91	11
	185	sx10-2 RFC	1.60	14.2
Production	523	sx Hilift	3.05	11.5
	1876'	sx 50/50 poz	1.28	14.1

e. Anticipated cement tops will be reported as to depth; not the expected number of sacks of cement to be used. UDOGM should be notified, with sufficient lead time, in order to have a UDOGM representative on location while running all casing strings and cementing.

f. After cementing but before commencing any test, the casing string shall stand cemented until the cement has reached a compressive strength of at least 500 psi at the shoe. WOC time shall be recorded in the driller's log.

g. The following reports shall be filed with UDOGM within 30 days after the work is completed.

1. Progress reports, per UDOGM Conservation General Rules "Sundry Notices and Reports on Wells", must

Include complete information concerning:

a. Setting of each string of casing, showing the size, grade, weight of casing set, hole size, setting depth, amounts and type of cement used, whether cement circulated or the top of the cement behind the casing,

depth of cementing tools used, casing test method and results, and the date work was done. Show the spud date on the first reports submitted.

b. Temperature or bond log must be submitted for each well where the casing cement was not circulated to the surface.

c. Auxiliary equipment to be used is as follows:

1. Kelly cock
2. A bit float
3. A sub with full opening valve.

5. **Drilling Fluids Program:**

<u>Interval Type</u>	<u>Wt. (ppg)</u>	<u>Viscosity</u>	<u>pH</u>	<u>Water Loss</u>	<u>Remarks</u>
0-60'	Fresh water	8.33	30	7.0	NA
60'-3500'	Fresh water	8.33	35	7.0	NA
3000'-TD	Fresh water & DAP	9.0 – 11.5	38	7.0	10-12

a. Sufficient quantities of mud material will be maintained on site or be readily available for the purpose of assuring well control. SPR will be recorded on a daily drilling report after mudding up. Visual mud monitoring will be conducted during operations.

b. No chromate additives will be used in the mud system on State lands without prior UDOGM approval to ensure adequate protection of fresh water aquifers.

c. No chemicals subject to reporting under SARA Title III in an amount equal to or greater than 10,000 pounds will be used, produced, stored, transported, or disposed of annually in association with the drilling of this well.

d. The use of materials under UDOGM jurisdiction will conform to the Conservation General Rules.

e. Water will come from: Water Right No. 41-3530.

f. Water will be hauled by commercial transport over the access roads shown on Attached Maps "A" and "B".

g. No water well will be drilled on this lease

6. **Evaluation Program**

The anticipated type and amount of testing, logging and coring are as follows:

a. No drill stem tests are anticipated, if DST's are run, the following requirements will be adhered to:

Initial opening of the drill stem test tools shall be restricted to daylight hours unless specific approval to start during other hours is obtained from the authorized officer (AO). However, DST's may be allowed to continue at night if the test was initiated during daylight hours and the rate of flow is stabilized and if adequate lighting is available (i.e. lighting which is adequate for visibility and vapor-proof for safe operations). Packers can be released, but tripping shall not begin before daylight, unless prior approval is obtained from the AO. Closed chamber DST's may be accomplished day or night.

A DST that flows to the surface with evidence of hydrocarbons shall be either reversed out of the testing string under controlled surface conditions. This would involve provided means for reverse circulation.

Separation equipment required for the anticipated recovery shall be properly installed before a test starts.

All engines within 100 feet of the wellbore that are required to "run" during the test shall have spark arresters or water cooled exhausts.

b. The logging program will consist of Schlumberger Platform Express (or equivalent) to be run from base of surface casing to TD.

c. No cores are anticipated.

d. Whether the well is completed as a dry hole or as a producer, "Well Completion and Recompletion Report and Log" will be submitted no later than 30 days after the completion of the well or after completion of operations being performed, in accordance with UDOGM Conservation General Rules. Two copies of all logs, core descriptions, core analyses, well tested data, geologic summaries, sample description, and all other surveys or data obtained and compiled during the drilling, workover, and/or completion operations, will be filed.

Samples (cuttings, fluids, and/or gases) will be submitted when requested by the AO.

e. The anticipated completion program is as follows: Perform multistage fracs and complete all productive zones present in the wellbore. Produce all zones commingled.

f. Daily drilling and completion progress reports shall be submitted to the UDOGM on a weekly basis.

7. Abnormal Temperatures and Pressures

a. The expected bottom hole pressure is 9147psig

The maximum bottom hole temperature anticipated is 274.41 degrees Fahrenheit.

b. No hydrogen sulfide gas is anticipated. Abnormal pressures will be controlled with mud weight and 10000# BOP and rotating head.

8. Anticipated Starting Dates and Notifications of Operations

a. Drilling is anticipated to commence immediately upon approval

b. It is anticipated that the drilling of this well will take approximately 35 days.

c. UDOGM shall be notified of the anticipated date of location construction and anticipated spud date.

- d. No location will be constructed or moved, no well will be plugged, and no drilling or workover equipment will be removed from a well to be placed in a suspended status without prior approval of the AO. If operations are to be suspended, prior to approval from the AO will be obtained and notification given before resuming operations.
- e. The spud date will be reported orally to the AO within 48 hours of spudding. If the spudding occurs on a weekend or holiday, the report will be submitted via voice mail and/or e-mail to the AO.
- f. In accordance with UDOGM Conservation General Rules, this well will report "Monthly Report Operations", starting with the month in which operations commence and continue each month until the well is physically plugged and abandoned. This report will be filed with the UDOGM.
- g. Immediate Report: Spills, blowouts, fires, leaks, accidents, or any other unusual or undesirable events shall be reported promptly to the AO in accordance with the requirements.
- h. If a replacement rig is contemplated for completion operations, a "Sundry Notice" to that effect will be filed, or prior approval of the AO, and all conditions of this approved plan are applicable during all operations conducted with the replacement rig.
- i. Should the well be successfully completed for production, the AO will be notified when the well is placed on producing status. Written notification, e-mail or otherwise, will be sent no later than 5 days following the date on which the well is placed on production.
- j. With the approval of the UDOGM Engineer, produced water may be temporarily disposed of into unlined pits for a period of 90 days. During the period so authorized, an application for approval of the permanent disposal method, along with the required water analysis and other information, must be submitted to the UDOGM Engineer.
- k. Operators are authorized to vent/flare gas during initial well evaluation test, not exceeding a period of 30 days or the production of 50 MMCF of gas, whichever occurs first. An application must be filed with the UDOGM Engineer and approval received, for any venting/flaring of gas beyond the initial 30 day authorized test period.
- l. A schematic facilities diagram shall be submitted to UDOGM within 60 days of installation or first production whichever occurs first. All product lines entering and leaving hydrocarbon storage tanks will be effectively sealed in accordance with UDOGM Conservation General Rules.
- m. A first production conference will be scheduled within 15 days after receipt of the first production notice.
- n. No well abandonment operations will commence without the prior approval of the AO. In the case of newly drilled dry holes or failures, and in emergency situations, oral approval will be obtained from the AO. A "Subsequent Report of Abandonment" will be filed within 30 days following the completion of the well for abandonment. The report will indicate where plugs were placed and the current status of the surface restoration. Final abandonment will not be approved until the surface reclamation work has been completed to the satisfaction of the AO.

o. Lessees and operators have the responsibility of operating in a manner which conforms with the applicable Federal laws and regulations and with the State and local laws and regulations to the extent that such laws are applicable to operations on State lands.

Department of Natural Resources
Division of Oil, Gas and Mining
1594 West North Temple, Suite 1210
Salt Lake City, Utah 84116

Phone 801-538-5340
Fax 801-539-3940

STATE OF UTAH DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS, AND MINING		FORM 9
SUNDRY NOTICES AND REPORTS ON WELLS Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.		5. LEASE DESIGNATION AND SERIAL NUMBER: ML-49945
1. TYPE OF WELL Gas Well		6. IF INDIAN, ALLOTTEE OR TRIBE NAME:
2. NAME OF OPERATOR: GASCO PRODUCTION COMPANY		7. UNIT or CA AGREEMENT NAME: GATE CANYON
3. ADDRESS OF OPERATOR: 8 Inverness Dr. East, Suite 100, Englewood, CO, 80112		8. WELL NAME and NUMBER: GATE CANYON ST 41-19-11-15
4. LOCATION OF WELL FOOTAGES AT SURFACE: 0481 FNL 0987 FEL QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: Qtr/Qtr: NENE Section: 19 Township: 11.0S Range: 15.0E Meridian: S		9. API NUMBER: 43013508860000
PHONE NUMBER: 303 996-1805 Ext		9. FIELD and POOL or WILDCAT: UNDESIGNATED
COUNTY: DUCHESNE		STATE: UTAH

11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION		
<input checked="" type="checkbox"/> NOTICE OF INTENT Approximate date work will start: 1/1/2014	<input type="checkbox"/> ACIDIZE <input type="checkbox"/> CHANGE TO PREVIOUS PLANS <input type="checkbox"/> CHANGE WELL STATUS <input type="checkbox"/> DEEPEN <input type="checkbox"/> OPERATOR CHANGE <input type="checkbox"/> PRODUCTION START OR RESUME <input type="checkbox"/> REPERFORATE CURRENT FORMATION <input type="checkbox"/> TUBING REPAIR <input type="checkbox"/> WATER SHUTOFF <input type="checkbox"/> WILDCAT WELL DETERMINATION	<input type="checkbox"/> ALTER CASING <input type="checkbox"/> CHANGE TUBING <input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS <input type="checkbox"/> FRACTURE TREAT <input type="checkbox"/> PLUG AND ABANDON <input type="checkbox"/> RECLAMATION OF WELL SITE <input type="checkbox"/> SIDETRACK TO REPAIR WELL <input type="checkbox"/> VENT OR FLARE <input type="checkbox"/> SI TA STATUS EXTENSION <input type="checkbox"/> OTHER	<input type="checkbox"/> CASING REPAIR <input type="checkbox"/> CHANGE WELL NAME <input type="checkbox"/> CONVERT WELL TYPE <input type="checkbox"/> NEW CONSTRUCTION <input type="checkbox"/> PLUG BACK <input type="checkbox"/> RECOMPLETE DIFFERENT FORMATION <input type="checkbox"/> TEMPORARY ABANDON <input type="checkbox"/> WATER DISPOSAL <input checked="" type="checkbox"/> APD EXTENSION OTHER:
<input type="checkbox"/> SUBSEQUENT REPORT Date of Work Completion:			
<input type="checkbox"/> SPUD REPORT Date of Spud:			
<input type="checkbox"/> DRILLING REPORT Report Date:			

12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.

Approved by the
Utah Division of
Oil, Gas and Mining

Date: December 30, 2013

By:

NAME (PLEASE PRINT) Jessica Berg	PHONE NUMBER 303 996-1805	TITLE Regulatory Analyst
SIGNATURE N/A	DATE 12/21/2013	



The Utah Division of Oil, Gas, and Mining

- State of Utah
- Department of Natural Resources

Electronic Permitting System - Sundry Notices

Request for Permit Extension Validation Well Number 43013508860000

API: 43013508860000

Well Name: GATE CANYON ST 41-19-11-15

Location: 0481 FNL 0987 FEL QTR NENE SEC 19 TWP 110S RNG 150E MER S

Company Permit Issued to: GASCO PRODUCTION COMPANY

Date Original Permit Issued: 12/19/2011

The undersigned as owner with legal rights to drill on the property as permitted above, hereby verifies that the information as submitted in the previously approved application to drill, remains valid and does not require revision. Following is a checklist of some items related to the application, which should be verified.

- If located on private land, has the ownership changed, if so, has the surface agreement been updated? ☒ Yes ☐ No
- Have any wells been drilled in the vicinity of the proposed well which would affect the spacing or siting requirements for this location? ☐ Yes ☒ No
- Has there been any unit or other agreements put in place that could affect the permitting or operation of this proposed well? ☐ Yes ☒ No
- Have there been any changes to the access route including ownership, or rightof- way, which could affect the proposed location? ☐ Yes ☒ No
- Has the approved source of water for drilling changed? ☐ Yes ☒ No
- Have there been any physical changes to the surface location or access route which will require a change in plans from what was discussed at the onsite evaluation? ☐ Yes ☒ No
- Is bonding still in place, which covers this proposed well? ☒ Yes ☐ No

Signature: Jessica Berg

Date: 12/21/2013

Title: Regulatory Analyst Representing: GASCO PRODUCTION COMPANY



GARY R. HERBERT
Governor

SPENCER J. COX
Lieutenant Governor

State of Utah

DEPARTMENT OF NATURAL RESOURCES

MICHAEL R. STYLER
Executive Director

Division of Oil, Gas and Mining

JOHN R. BAZA
Division Director

January 8, 2015

Gasco Production Company
7979 Tufts Ave., Suite 1150
Denver, CO 80237

Re: APD Rescinded – Gate Canyon St 41-19-11-15, Sec. 19, T.11S, R.15E,
Duchesne County, Utah API No. 43-013-50886

Ladies and Gentlemen:

The Application for Permit to Drill (APD) for the subject well was approved by the Division of Oil, Gas and Mining (Division) on December 19, 2011. On December 24, 2012 and December 30, 2013 the Division granted a one-year APD extension. No drilling activity at this location has been reported to the division. Therefore, approval to drill the well is hereby rescinded, effective January 8, 2015.

A new APD must be filed with this office for approval prior to the commencement of any future work on the subject location.

If any previously unreported operations have been performed on this well location, it is imperative that you notify the Division immediately.

Sincerely,

Diana Mason
Environmental Scientist

cc: Well File
SITLA, Ed Bonner